

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0511-01  
Bill No.: HB 120  
Subject: Firearms and Fireworks; Law Enforcement Officers and Agencies  
Type: Original  
Date: February 18, 2003

---

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
General Revenue	(\$187,610)	(\$184,525)	(\$189,731)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(\$187,610)</b>	<b>(\$184,525)</b>	<b>(\$189,731)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
Criminal Records System	\$494,201	\$475,595	\$469,961
Highway	(Unknown)	(Unknown)	(Unknown)
<b>Total Estimated Net Effect on Other State Funds</b>	<b>\$494,201 to (Unknown)</b>	<b>\$475,595 to (Unknown)</b>	<b>\$469,961 to (Unknown)</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 14 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
None			
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
<b>Local Government</b>	<b>\$6,200,000 to (Unknown)</b>	<b>Unknown to (Unknown)</b>	<b>Unknown to (Unknown)</b>

## **FISCAL ANALYSIS**

### **ASSUMPTION**

Officials from the **Department of Mental Health, Department of Natural Resources**, and the **Office of the State Auditor** assume the proposed legislation would have no fiscal impact on their agencies.

Officials from the **Greene County Sheriff's Department** responded to our request for fiscal impact, but issued no fiscal impact statement.

Officials from the **Cole County Treasurer's Office** assume the total cost to their office is minimal since the only requirement will be to establish an account for the County Sheriff's Department. Officials assume any interest accrued by this account would cover any banking cost. Personnel costs would be routine and minimal to the day to day operation.

Officials from the **Office of State Courts Administrator (CTS)** assume two primary impacts: a possible small increase in criminal prosecutions for violations of the law, and any increase in small claims cases. CTS would not anticipate the increased volume of cases to significantly increase the workload for the state courts.

ASSUMPTION (continued)

Officials from the **Department of Conservation (MDC)** assume the proposed legislation would not appear to have fiscal impact on MDC funds. This assumes MDC hunter safety instruction does not qualify an applicant for a concealed carry endorsement.

Officials from the **Office of Attorney General (AGO)** assume they may incur certain costs in representing the Department of Revenue regarding conceal carry endorsements, but the AGO assumes these costs can be absorbed within existing resources.

Officials from the **Office of Prosecution Services** assume prosecutors could absorb the costs of the proposed legislation within existing resources.

Officials from the **Office of State Public Defender** assume existing staff could provide representation for those few cases arising where indigent persons were charged with lying on an application to carry a concealed weapon. Passage of more than one bill increasing penalties on existing crimes or creating new crimes would require the State Public Defender System to request increased appropriations to cover the cumulative cost of representing indigent persons accused in the now more serious cases or in the new additional cases.

Officials from the **Department of Revenue (DOR)** assume the legislation would require the Director of Revenue to issue an endorsement on a driver license or non-driver license which entitles the holder of such endorsement to carry a concealed license.

The requirements of this legislation will require the Division of Motor Vehicles and Drivers Licensing to make program modifications to the over-the-counter driver licensing system and to the Missouri Driver Licensing System in order to provide for the conceal and carry endorsement.

This legislation will require 200 hours of contracted program modifications to be made to the over-the-counter driver licensing system in order to modify the appearance of the driver license and nondriver license to include the concealed carry permit information such as, county of application and permit expiration date, which is not currently on either the driver license or nondriver license. DOR estimates this cost to be a one-time cost of \$20,000 (200 hours of OTC programming x \$100/hour).

This legislation will also require 640 overtime hours to program modifications to the Missouri Driver License System (MODL) to modify the issuance transaction record, inquiry screens, issuance update programs, MODL extract, and to create a new MODL screen. The DOR estimates this cost to be a one-time cost of \$14,720 (640 hours of MODL overtime programming

x \$23.00/hour).

ASSUMPTION (continued)

The DOR estimates the cost of the proposed legislation to be \$34,720 in FY 04.

The DOR will incur additional unknown expenses relating to canceling endorsements and notification of cancelled endorsements as required in this legislation. DOR is unable to determine the frequencies of such activities and is unable to determine such fiscal impact relating to these activities.

The legislation will require appropriations from Highway Funds in order to fund non-highway purposes. In the past, the programs such as this have been paid for with highway funds since the driver license system is related to highway functions. The DOR prepared this fiscal note under the assumption that funding for this program would be funded from General Revenue since this program is a non-highway issue.

Officials from the **Department of Corrections (DOC)** assume the proposal authorizes permits to carry concealed weapons. Penalty provisions, the component of the bill to have potential fiscal impact for DOC, is for a class A misdemeanor or a class D felony. Currently, the DOC cannot predict the number of new commitments which may result from the creation of the offense(s) outlined in this proposal. An increase in commitments depends on the utilization by prosecutors and the actual sentences imposed by the court.

If additional persons are sentenced to the custody of the DOC due to the provisions of this legislation, the DOC will incur a corresponding increase in operational cost either through incarceration (FY02 average of \$35.52 per inmate per day, or an annual cost of \$12,965 per inmate) or through supervision provided by the Board of Probation and Parole (FY02 average of \$3.10 per offender per day, or an annual cost of \$1,132 per offender).

The DOC does not anticipate the need for capital improvements. It must be noted that the cumulative effect of various new legislation, if passed into law, could result in the need for additional capital improvements funding if the total number of new offenders exceeds current planned capacity.

The following factors contribute to DOC's minimal assumption:

- DOC assumes the narrow scope of the crime will not encompass a large number of offenders; and

- The low felony status of the crime enhances the possibility of plea-bargaining or imposition of a probation sentence.

ASSUMPTION (continued)

In summary, supervision by the DOC through probation or incarceration would result in some additional costs, but it is assumed the impact would be \$0 or a minimal amount that could be absorbed within existing resources.

Officials from the **Department of Public Safety – Missouri State Highway Patrol** assume the legislation would require the Information Systems Division (ISD) to design, build, implement, and maintain a currently non-existent major application to house concealed firearms permit data. The estimates were based upon the types of information that would have to be entered, edited, stored, and retrieved. The information would specifically be: name, address, gender, date and place of birth, etc.

The ISD would require 1 FTE Computer Information Tech. Specialist I (at \$41,556 per year) as a result of the legislation. The FTE would be responsible for designing, developing, modifying, and supporting the MULES/Interface, as well as designing, developing, modifying, and supporting the Concealed Firearms Permits application. The MHP estimates the salaries, fringe benefits, equipment, and expense for the FTE to be \$57,250 in FY 04; \$66,314 in FY 05; and \$87,974 in FY 06.

According to the ISD, there will be additional costs associated with the State Data Center. There is not sufficient quantifiable information from which to present other than an estimate of the dollar figure. The July to September MULES statistics were used to arrive at an estimate of fiscal impact for the State Data Center Charges. During the fiscal year 2002, the Patrol paid the following CICS Service Units and CICS transactions:

CICS transaction cost	\$628,347
CICS Service Units cost	<u>\$1,043,010</u>
Total FY2002 CICS costs	\$1,671,357

Estimated recurring increase in transaction costs due to proposed legislation is 5%. ISD estimates the State Data Center recurring costs to be \$83,568 per year (\$1,671,357 x 5%). The MHP estimates the State Data Center transaction costs to be \$69,640 in FY 04; \$120,505 in FY 05; and \$124,120 in FY 06.

There would also be additional maintenance costs for the State Data Center. ISD assumes there would be 60,000 permits. Based upon empirical experiences, virtually every permit would have at least an entry, an inquiry and a modification. All of this data was used to estimate the increased costs at the State Data Center for storage, file backups, and the processing of the entries, inquiries, revocations, and modifications. Based on these estimates, the recurring State ASSUMPTION (continued)

Data Center costs for the maintenance of the system would be \$31,200 per year. After the first year, there would be an anticipated 40% increase in permits, which would make the State Data Center charges \$43,200 per year. The MHP estimates the State Data Center maintenance costs to be \$26,000 in FY 04; \$44,990 in FY 05; and \$46,340 in FY 06.

The Patrol assumes that while there would be an increase in workload for the ISD helpdesk, it would likely not require additional FTE at this time. If there is an unexpected increase in job responsibilities as a result of this legislation, additional FTE may be required.

The MHP estimates the total cost of the proposed legislation to the General Revenue Fund to be \$152,890 in FY 04; \$231,809 in FY 05; and \$238,434 in FY 05.

The MHP's Criminal Records and Identification Division (CRID) assumes that the intent of the legislation is for the sheriff to conduct a criminal background check. Previous research estimated 60,000 applications for the first year, which would average out to 250 background checks per day. It takes an average of 12.49 minutes to complete a background check. There would be an expected 40% increase in permits requested the following years.

60 minutes in an hour divided by 12.49 minutes per check = 4.81 checks per hour per FTE  
4.81 cards per hour x 1856 hours in a year = 8,927 per year per FTE  
60,000 divided by 8,927 = 6.7 = 7 FTE needed in FY 04.

CRID assumes the proposal would require 3 FTE Fingerprint Technicians (each at \$21,192 per year), 2 FTE AFIS Entry Operators (each at \$18,132 per year), 1 FTE Criminal History Technician (each at \$21,720 per year), and 1 FTE Account Clerk (each at \$17,568 per year). These FTE would perform duties as follows: Fingerprint Technicians – Job duties would include classifying fingerprints, marking cores, searching prints through AFIS, verifying prints, assigning identification numbers and filing prints. AFIS Entry Operators – Job duties would include sorting prints, verifying information cards, performing name checks, and requesting rap sheets. Criminal History Technician – Job duties would include reviewing current rap sheets, contacting criminal justice agencies for missing data and verification, coordinating Missouri records with FBI records and verifying rap sheets for mailing. Account Clerk – Job duties would

include reconciling fee payments with background searches, preparing copies of requests, documenting payment, completing transmittal and depositing fund sheets, paying invoices from FBI, receiving, reconciling and depositing fees received from the sheriffs. Due to an increase in permits following the first year, (from 60,000 to 84,000) 2 additional FTE would be required. They would be a Criminal History Technician and a Fingerprint Technician. Their salaries, equipment

ASSUMPTION (continued)

and expenses are only calculated in the FY05 and FY06 dollar amounts. MHP estimates the cost of the FTE to be \$205,799 in FY 04; \$300,194 in FY 05; and \$300,883 in FY 06.

The Patrol's Criminal Records and Identification Division receives \$14 for each fingerprint check done at the state level and \$24 for each fingerprint check that is forwarded to the FBI. The \$14 fee for the state fingerprint check is revenue generated and deposited into the Criminal History Record Fund for the purpose of maintenance and enhancement of technology of the division. The \$24 fee collected for the FBI checks is passed through to the FBI so it is not revenue generated by the Criminal Records and Identification division.

**1<sup>st</sup> Year**

60,000 applications x \$38 (\$14 + \$24)	= \$1,900,000 (10 months Aug 28 – June 30)
60,000 applications x \$24	= <u>(\$1,200,000)</u> (10 months of pass through to FBI)
Total money remaining in fund	= \$ 700,000

**2<sup>nd</sup> Year and beyond**

84,000 (60,000 x 40 % increase) x \$38	= \$3,192,000
84,000 x \$24	= <b>(\$2,016,000)</b> (Pass through to FBI)
Total money remaining in fund	= <b>\$1,176,000</b>

MHP estimates the net impact to the Criminal Records System Fund to be a net revenue of \$494,201 in FY 04; \$875,806 in FY 05; and \$875,117 in FY 06.

**Oversight** assumes, based on information received from the Texas Department of Public Safety, that a large majority of concealed weapons permits will be received in the first year and the number of applications received in subsequent years will increase. Therefore, the 2 additional FTE in FY 05 and FY 06 are not included in this estimate. Also, the total revenue for fingerprint checks and the pass through expense to the FBI have been estimated based on 60,000 checks per year.

The State of Texas passed concealed firearms legislation which went into effect January 1, 1996. At that time, Texas had an estimated population of 18,000,000. The **Texas Department of Public Safety (Texas DPS)** received approximately 200,000 applications in the first year. Texas DPS received a cumulative total of 260,500 applications for a permit from the law's inception through 2001. A large majority of concealed weapons permits were received in the first year, and the number of applications subsequent to that has decreased. Missouri has a



ASSUMPTION (continued)

population of approximately 5,600,000; therefore, applying the same ratio, **Oversight** assumed in similar proposals that Missouri would have 62,000 applications in the first year resulting in \$3.1

million (62,000 x \$50 application fee) in revenue for the various Sheriff's revolving funds. After the initial rush, Oversight assumed the number of new applications would drop substantially.

**Oversight** assumes that local law enforcement agencies could streamline the concealed firearms permitting process by following those procedures used to issue a permit to own a handgun in Missouri. Because the anticipated 62,000 applications in Missouri would be distributed over the entire state, Oversight assumes that most third and fourth class county law enforcement agencies would be able to handle additional duties resulting from this proposal with existing staff. However, with a \$100 permit fee, Oversight assumes the cost of issuance of a permit could exceed the revenue generated by the county sheriffs, and therefore, has shown the net fiscal impact to the county sheriffs for issuance of these permits as possibly unknown net revenues or net losses.

**Oversight** assumes that there would be long-term impact to the local law enforcement agencies as the new concealed firearm permit applications diminished and those permitted individuals renewed their permit every three years. Renewed permit fees would be \$50 and would go to the county treasuries and the City of St. Louis as outlined in this proposal. Ongoing costs to the local law enforcement agencies to process permit applications and renewals would probably exceed revenues generated from new permit applications and renewals.

Officials from the **Boone County Sheriff's Office, Cole County Sheriff's Office, St. Louis County Police Department, Jackson County Sheriff's Office, Greene County Treasurer, Boone County Treasurer**, and the **St. Louis County Treasurer** did not respond to our request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
<b>GENERAL REVENUE</b>			
<u>Costs</u> – Department of Revenue			
Personal Service (Overtime)	(\$14,720)	\$0	\$0
Equipment and Expense	<u>(\$20,000)</u>	<u>\$0</u>	<u>\$0</u>
<u>Total Costs</u> – Department of Revenue	(\$34,720)	\$0	\$0
<u>Costs</u> – Missouri State Highway Patrol			
Personal Service (1 FTE)	(\$35,496)	(\$43,660)	(\$44,751)
Fringe Benefits	(\$17,886)	(\$22,000)	(\$22,550)
Equipment and Expense	(\$3,868)	(\$654)	(\$673)
State Data Center – Maintenance	(\$26,000)	(\$32,136)	(\$33,100)
State Data Center – Cost	<u>(\$69,640)</u>	<u>(\$86,075)</u>	<u>(\$88,657)</u>
<u>Total Costs</u> – MHP	<u>(\$152,890)</u>	<u>(\$184,525)</u>	<u>(\$189,731)</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<b><u>(\$187,610)</u></b>	<b><u>(\$184,525)</u></b>	<b><u>(\$189,731)</u></b>
<b>CRIMINAL RECORDS SYSTEM FUND</b>			
<u>Revenue</u> – Missouri State Highway Patrol			
Fingerprint fees	\$1,900,000	\$1,900,000	\$1,900,000
<u>Costs</u> – Missouri State Highway Patrol			
Personal Service (7 FTE)	(\$118,839)	(\$146,171)	(\$149,826)
Fringe Benefits	(\$59,883)	(\$73,656)	(\$75,497)
Equipment and Expense	(\$27,077)	(\$4,578)	(\$4,716)
Pass through to FBI	<u>(\$1,200,000)</u>	<u>(\$1,200,000)</u>	<u>(\$1,200,000)</u>
<u>Total Costs</u> – MHP	<u>(\$1,405,799)</u>	<u>(\$1,424,405)</u>	<u>(\$1,430,039)</u>
<b>ESTIMATED NET EFFECT ON CRIMINAL RECORDS SYSTEM FUND</b>	<b><u>\$494,201</u></b>	<b><u>\$475,595</u></b>	<b><u>\$469,961</u></b>

## **HIGHWAY FUND**

### Costs – Department of Revenue

Canceling endorsements	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
------------------------	------------------	------------------	------------------

### **ESTIMATED NET EFFECT ON HIGHWAY FUND**

<u><b>(Unknown)</b></u>	<u><b>(Unknown)</b></u>	<u><b>(Unknown)</b></u>
-------------------------	-------------------------	-------------------------

### FISCAL IMPACT - Local Government

FY 2004 (10 Mo.)	FY 2005	FY 2006
---------------------	---------	---------

### **COUNTY SHERIFF'S REVOLVING FUND**

### Income - Counties and City of St. Louis

Permit Fees	\$6,200,000	Unknown	Unknown
-------------	-------------	---------	---------

### Income - Counties and City of St. Louis

Fine and Citation revenue	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
---------------------------	----------------	----------------	----------------

### Costs - Counties and City of St. Louis

Costs of issuance of permits	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
------------------------------	------------------	------------------	------------------

### **ESTIMATED NET EFFECT ON COUNTY SHERIFF'S REVOLVING FUND**

<u><b>\$6,200,000 to (Unknown)</b></u>	<u><b>Unknown to (Unknown)</b></u>	<u><b>Unknown to (Unknown)</b></u>
--	--	--

### FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

## DESCRIPTION

The proposed legislation would allow county sheriffs to issue a certificate of qualification for a concealed carry permit to allow individuals to carry concealed weapons on their person or in vehicles. The certificate of qualification would allow the applicant to obtain a driver license or nondriver license with a concealed carry endorsement on the license. Permits would be valid throughout the state for three years.

## QUALIFICATIONS FOR OBTAINING A CONCEALED CARRY ENDORSEMENT

To qualify for a permit, individuals would be required to be at least 21 years of age, not have pled or been found guilty of a crime that is punishable by a prison sentence of more than one year, not be a fugitive, not have been adjudged mentally incompetent for five years prior to application, not have pled or been found guilty of a misdemeanor crime of violence within for five years preceding application, not have pled or found guilty of two or more misdemeanor offenses involving driving while under the influence or possession or abuse of a controlled substance for five years preceding application, and comply with training requirements.

The permit application would include affirmations of the requirements for obtaining a permit, a warning that individuals who make false statements will be prosecuted for perjury, and a statement of compliance with training requirements.

The applicant's fingerprints would be forwarded to the Federal Bureau of Investigation for a national criminal history record check.

## LIMITATIONS ON WHERE CONCEALED WEAPONS MAY BE CARRIED

The proposal would allow governmental units, businesses, and other organizations to limit the ability to carry concealed weapons into areas of public buildings that they lease, own, or control, including courthouses; meeting places of governing bodies or the General Assembly; within 25 feet of polling places on election day; adult or juvenile detention facilities and other correctional institutions; airports; bars; schools; hospitals; stadiums; amusement parks; gambling facilities; and churches. Judges or officers of the court who have permits could carry concealed weapons into courthouses, and members of governing bodies who have permits could carry concealed weapons into meetings of the governing body.

Violating prohibitions on carrying concealed weapons in certain locations would be grounds for being denied access to or being removed from the premises. Frequent violators would be subject to monetary penalties and permit suspensions.

## DESCRIPTION (continued)

### TRAINING REQUIREMENTS

Applicants for a permit would complete a firearms safety course provided by law enforcement agencies, qualified firearms safety instructors, or the military. The proposal would specify the required curriculum, including classroom work and live firing exercises.

Certification and training required for qualified firearms safety instructors would also be specified. Instructors would be required to keep their course records available for at least 4 years. Instructors who provide false information about the performance of an applicant in the training program would be guilty of a class C misdemeanor.

### ADMINISTRATIVE PROVISIONS

The proposal would require sheriffs to fingerprint the applicant and forward the fingerprints to the FBI for a national criminal history record check if no disqualifying record is found at the state level. The sheriff would also request a criminal background check on the applicant within three days of receipt of the completed application. The proposal would require sheriffs to approve or deny the application within three days of receipt of the completed background check. The certificate of qualification would be issued within 45 days after submission of the completed application. If the federal criminal background check has not been received within 45 days, the sheriff could issue a certificate provided that the sheriff revoke any such certificate within 24 hours of receipt of a federal background check that results in a disqualifying record.

Sheriffs would be required to keep records of permit applications and report all certificates of qualification issued to the Missouri Uniform Law Enforcement System. Permit application fees could not exceed \$100; renewal fees could not exceed \$50. Fees would be deposited in the county sheriff's revolving fund. Any unexpended balance would be used to produce and distribute public service announcements promoting the safe storage of firearms in the presence of children.

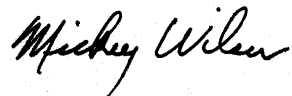
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Attorney General  
Office of State Courts Administrator  
Department of Mental Health  
Department of Natural Resources  
Department of Corrections  
Department of Revenue  
Department of Public Safety  
    – Missouri State Highway Patrol  
Department of Conservation  
Office of Prosecution Services  
Office of State Auditor  
Office of State Public Defender  
Greene County Sheriff's Department  
Cole County Treasurer's Office

NOT RESPONDING

Boone County Sheriff  
Cole County Sheriff  
St. Louis County Police Department  
Jackson County Sheriff  
Greene County Treasurer  
Boone County Treasurer  
St. Louis County Treasurer



Mickey Wilson, CPA  
Director  
February 18, 2003